

USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

emplate Version 2.09

Voluntary Report - Public distribution

Date: 4/21/2008

GAIN Report Number: JA8022

Japan

FAIRS Subject Report

Government of Japan Report on Food Safety Proposals

2008

Approved by:

Stephen Wixom U.S. Embassy

Prepared by:

Yuichi Hayashi and Stephen Wixom

Report Highlights:

In March 2008, the Quality of Life Bureau (Kokumin Seikatsu Shingikai) in the Cabinet Office sent a report to Prime Minister Yasuo Fukuda calling for various new food safety measures. The report proposes the creation of a consumer agency, increased food monitoring, and more comprehensive labeling requirements. The monitoring and labeling proposals have the potential to affect U.S. exports of food to Japan; and in particular processed foods, which were valued at over \$3.4 billion in 2007. The following report contains a provisional translation of excerpts taken from the labeling section of the report.

Includes PSD Changes: No Includes Trade Matrix: No Trade Report Tokyo [JA1]

ſJΑ

Table of Contents	
Executive Summary	3
Recommendations for Food Labeling4	1

Executive Summary

In December 2007 and January 2008 imported gyoza, or frozen dumplings, from China that were found to contain dangerous residue levels of the pesticide methamidophos resulted in the serious illness of ten people in Japan. The gyoza incident was for all appearances a result of food tampering rather than a typical food safety violation. Nevertheless, it was viewed by the Japanese media and consumers as a failure of the current food safety system. Following the gyoza incident the Prime Minister established five working groups, including a group tasked with examining food safety, to consider ways of strengthening Japan's consumer product safety system. Members of the food working group consisted of academics, a lawyer and a representative of a consumer group. However, officials from the ministries with responsibilities for food safety were not represented.

After deliberating on the proposals the groups sent their recommendations to the Quality of Life Bureau (Kokumin Seikatsu Shingikai) under the Prime Minister's Office, which then submitted a final report in late March to Prime Minister Fukuda. The report called for a number of new measures including creation of a consumer agency to oversee the consumer protection work currently being done in various ministries and unification of multiple labeling laws administered by those ministries into a single law. Two of the proposed measures could potentially impact U.S. food exports to Japan if mandated under Japanese law.

Monitoring and labeling proposals as contained in the report have the potential to affect U.S. exports of foods to Japan; and in particular processed foods, which were valued at over \$3.4 billion in 2007. It should be noted, however, that while earlier versions of the proposals called for labeling proposals to be mandatory the final version of the Prime Minister's report acknowledges the need for compliance with international standards by calling for voluntary guidelines rather than mandatory.

The following is a provisional translation of excerpts on labeling that were taken from the Prime Minister's report. For more extensive information on these food safety initiatives please see <u>GAIN JA8021</u>.

Note: This is an unofficial translation taken from the report that was submitted to Prime Minister Yasuo Fukuda in March 2008. Initial versions were prepared by the Taberu (Foods) Working Group on Food Safety and this excerpt on labeling was taken from the final version released through the Quality of Life Bureau (Kokumin Seikatsu Shingikai).

Recommendations for Food Labeling

In Japan, food labeling—a matter of public concern—is regulated by several laws. Thus, cooperation and coordination among relevant ministries/agencies has already been in place to ensure labels are easily visible. One such cross-ministerial initiative is the requirement for the collective disclosure of labeling items. However, current food labeling is still confusing and complicated for consumers, and burdensome for businesses. This is mainly due to discrepancies in interpretation between regulatory bodies, multiple contact points, and overlaps in jurisdiction. Given the fact that consumers find food labeling complicated, it is fair to say that the current labeling system does not necessarily respect the consumers' right to receive the required information, or their right to choose. Businesses also feel that the existing system is difficult to implement. The system therefore needs to be improved, drawing on practices in other countries where food labeling is governed by a general law. If businesses label food in an appropriate manner that contributes to food safety and sensible shopping judgments, consumers will be able to purchase and consume food products in a well-informed, safe and relaxed manner, which in turn is expected to increase the overall benefits for the people of Japan.

Several laws, including the JAS Law, the Food Sanitation Law and the Health Promotion Law define how to provide information about foods and their safety, function and health effects on product packaging, so we have to combine those laws in a comprehensive way and have discussions to establish a Food Labeling Law (provisionally named). This would also help prevent excessive profit-making. Such discussions should be carried out in light of an agreement on fair competition in regard to food labeling, clarified in the Premiums and Representations Act. Food labels help consumers judge whether the given information is trustworthy, so the government must create a legal system to discuss how to improve those labels by adopting ideas of consumer groups and other organizations, and supporting the concept of the above mentioned consumer rights.

Date marking is an especially important factor in a consumer's selection of food. Labeling policy must be formed with a safety perspective and should not result in the consumer misidentifying the product or unnecessarily disposing of food. Taking into account international rules we should consider altering labeling requirements to include "use by" dates, which should be beneficial from the consumer's point of view. Also, manufacturers or venders should try to include production dates. A review should be conducted for "use by" dates and "best before" dates and safety factors should be determined based on science and regulations established in accordance with proper business practices. And, study should be promoting the exchange of information on the process of date marking to provide a basis for manufacturers to set date marks. MAFF and MHLW will coordinate on an awareness campaign to prevent consumers from mixing up the "best before" date with the "use by" date. After verifying the results, the government of Japan should alter, if necessary, labeling expressions to correspond with labeling

in other countries and by using colloquial words that facilitate the consumer's ability to make purchasing decisions. Sales of expired foods past the "use by" date must be clearly prohibited, however, based on environmental conditions it should be made clear that foods which have passed the "best before" date do not have to be disposed of immediately as long as there is no danger to the consumer's health and safety.

Taking into account international rules and providing the necessary information to consumers that would give them the opportunity to make independent and legitimate decisions; we should review the definition of the current "main ingredient", category for a range of "processed foods under coverage" and the extent of said coverage.

It is desirable that the administration should take action to promote the provision of voluntary information to the consumer to help with their selection of foods. That can be through voluntary labeling, in-store displays, a helpline, and IT (Internet and QR code).

Moreover, the government of Japan should try to enhance its international presence in making international standards in order to put the "consumer in the lead role" in regards to food issues. Once we have an idea of what kind of labeling is beneficial to consumers, Japan should play a leading role in establishing mechanisms that encourage the altering of international standards. At present, Consumers International attends meetings with observer status in the Codex Alimentarius Commission. Japan should consider developing a system of collaboration between the Japanese government and Japanese consumers that would directly reflect their opinions in standard making, for example, by requesting a special organization be established that would be compromised of consumer groups from each country. At the same time, the Japanese government should consider how to establish an organization that properly reflects the opinions of consumers' and ordinary citizens' through the Japanese government's voice when forming standards in Codex.